

**RAILROAD COMMISSION OF TEXAS
OIL & GAS DIVISION**

Oil and Gas Docket No.
01-0299858

§ ON THE COMMISSION'S OWN MOTION
§ THAT CERTAIN FIELDS BE DESIGNATED AS
§ UNCONVENTIONAL FRACTURE TREATED
§ FIELDS PURSUANT TO OIL & GAS STATEWIDE
§ RULE 86(i)

**FINAL ORDER DESIGNATING
UNCONVENTIONAL FRACTURE TREATED FIELDS**

The Commission finds that after notice and an opportunity for hearing regarding the captioned matter, no operator in any of the fields covered by this order has filed a timely notice of protest or requested a hearing regarding the proposed designation of the fields listed on attached Exhibit "A" as Unconventional Fracture Treated or "UFT" Fields. This matter having been duly submitted to the Railroad Commission of Texas at conference held in its offices in Austin, Texas, the Commission makes the following finding of facts and conclusions of law.

FINDINGS OF FACT

1. Each of the fields listed on attached Exhibit A (the "Subject Fields") is an existing oil, gas or oil and gas field recognized, assigned an identification number, and regulated by the Railroad Commission of Texas (the "Commission").
2. The Commission has proposed, *sua sponte*, to designate each of the Subject Fields as an Unconventional Fracture Treated ("UFT") Field under the provisions of Statewide Rule 86(i) [16 Texas Administrative Code §3.86(i)].
3. Notice of the proposed designation was sent by U.S. mail to all operators of record in each of the Subject Fields on March 3, 2016. The notices were sent to the addresses most recently designated to the Commission by the operators on Form P-5 or other official address update filings.
4. No protest or request for hearing regarding the proposed designation of the Subject Fields as UFT Fields was received within 21 days of the date the notice was mailed.
5. Each of the Subject Fields has at least one distinct producible interval within the field with an *in situ* permeability of 0.1 millidarcies or less prior to hydraulic fracture treatment, as determined by core data or other supporting data and analysis.
6. In each of the Subject Fields, as to the completed producing wells for which the Commission issued the initial drilling permit on or after February 1, 2012, either:
 - (a) there are at least five such wells of which at least 65% were drilled horizontally and completed using hydraulic fracture treatment; or
 - (b) there are at least twenty-five such wells drilled horizontally and completed using hydraulic fracture treatment

7. Designation of the Subject Fields as UFT Fields is authorized by Statewide Rule 86(i) and will further the orderly and efficient development of the state's hydrocarbon resources.

CONCLUSIONS OF LAW

1. The subject matter of this docket is within the jurisdiction of the Railroad Commission of Texas pursuant to Tex. Nat. Res. Code §81.051.
2. Legally sufficient notice has been provided to all affected persons.
3. Designation of the Subject Fields as UFT Fields will prevent waste and protect correlative rights.

IT IS ACCORDINGLY ORDERED that the Subject Fields listed on Exhibit A attached to this order are designated as Unconventional Fracture Treated Fields pursuant to the provisions of Statewide Rule 86.

It is further **ORDERED** by the Commission that this order shall not be final and effective until 25 days after it is signed. If a timely motion for rehearing is filed by any party at interest, this order shall not become final and effective until such motion is overruled, or if such motion is granted, this order shall be subject to further action by the Commission. Pursuant to TEX. GOV'T. CODE § 2001.146, the time allotted for Commission action on a motion for rehearing in this case prior to its being overruled by operation of law, is hereby extended until 100 days from the date the parties are notified of the order. All requested Findings of Fact and Conclusions of Law which are not expressly adopted herein are **DENIED**. All pending motions and request for relief not previously granted or granted herein are **DENIED**.

Done this 12th day of April, 2016.

RAILROAD COMMISSION OF TEXAS


Chairman David Porter


Commissioner Christi Craddick


Commissioner Ryan Sitton

ATTEST


Secretary


Exhibit A – The following fields, identified by name and by RRC-assigned ID number, are designated as Unconventional Fracture Treated Fields.

Field ID	Field Name
02252500	AMARILLO, NORTH (CANYON LIME)
02870300	ANGIE (JAMES LIME)
06476300	BEAR GRASS (COTTON VALLEY CONS)
06648500	BECKVILLE (COTTON VALLEY)
07527722	BETHANY (TRAVIS PEAK CONS.)
12018200	BRISCOE RANCH (EAGLEFORD)
13147285	BUFFALO WALLOW (GRANITE WASH)
16032174	CARTHAGE (COTTON VALLEY)
16032300	CARTHAGE (HAYNESVILLE SHALE)
16032928	CARTHAGE (TRAVIS PEAK 6400)
16039300	CARTHAGE, SE (CV)
18600250	CLARK MARTIN (GRANITE WASH)
31913800	FORD, WEST (WOLFCAMP)
33151200	FRYE RANCH (CONSOLIDATED)
34204200	GATES RANCH (EAGLE FORD SHALE)
34733600	GIDDINGS (BUDA)
34733610	GIDDINGS (EAGLEFORD)
34943300	GILMER (COTTON VALLEY SANDS)
40311100	HEMPHILL (DOUGLAS)
40311200	HEMPHILL (GRANITE WASH.)
40356200	HENDERSON, E. (COTTON VALLEY)
42341300	HOLT RANCH (CONSOLIDATED)
43305666	HUGH FITZSIMMONS (SAN MIGUEL)
44510500	INDIO TANKS (PEARSALL)
52019750	LARD RANCH (GRANITE WASH -C-)
53869270	LIPSCOMB (CLEVELAND)

Field ID	Field Name
53878250	LIPSCOMB, S.E. (CLEVELAND)
56599500	MADISONVILLE, W. (WOODBINE -A-)
58257300	MATHERS RANCH (GRANITE WASH)
60265500	MEG (GRANITE WASH)
60462500	MENDOTA, NW. (GRANITE WASH)
61691235	MILLS RANCH (GRANITE WASH CONS.)
61792111	MINDEN (COTTON VALLEY CONS.)
65280200	NEWARK, EAST (BARNETT SHALE)
66461275	OAK HILL (COTTON VALLEY)
67849150	OVERTON (COTTON VALLEY SAND)
67998500	OZONA, NE. (CANYON 7520)
68735120	PAN PETRO (CLEVELAND)
70247666	PEERY (MARMATON)
71052900	PHANTOM (WOLFCAMP)
80544500	SANDBAR (BONE SPRING)
85279200	SPRABERRY (TREND AREA)
85279201	SPRABERRY (TREND AREA) R 40 EXC
85280300	SPRABERRY (TREND AREA)
85280301	SPRABERRY (TREND AREA) R 40 EXC
86125250	STILES RANCH (GRANITE WASH CONS)
95369160	WASKOM (COTTON VALLEY)
96537275	WEST PARK (GRANITE WASH)
96785300	WHEELER N.E. (GRANITE WASH)
98359800	WOLFBONE (TREND AREA)
98563083	WOODLAWN (COTTON VALLEY)